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Contact: Alexandra Tollette
(916) 653-9205

Officials from California and Sweden Agree to Work Together on Biomethane and Renewable Fuels

Sacramento - California and the Kingdom of Sweden have finalized a memorandum of understanding (MOU) to cooperate with one another and the industry to develop bioenergy, particularly biomethane. Representatives from both governments signed the MOU in Stockholm this month identifying how the two states can benefit from enhanced information-sharing and interaction to develop bioenergy for transportation fuels and other uses.

“Through strong cooperation between its industry and government, Sweden is showing the world how bioenergy can be developed in a cost-effective manner that benefits its economy and environment. This MOU will provide a basis for intensified collaboration between our states to help California develop a thriving bioenergy industry,” said Joe Desmond, Resources Agency Undersecretary for Energy Affairs.

Sweden has been recognized as a global leader in converting biowaste derived from agricultural material and residues into usable biomethane. The gas is used to generate electricity, residential heating, or as a transportation fuel. Biomass sources make up 45 percent of Sweden’s methane, and the country’s biomethane industry has been growing at an annual rate of around 20 percent over the last five years.

Officials signed the MOU after a tour of Swedish biomethane facilities by a delegation of California business and government leaders. Led by Desmond and California Energy Commissioner Jim Boyd, the delegation included leaders from the state’s dairy and ranching industries, a gas utility, as well as other key regulatory officials. The tour was organized by CALSTART in partnership with the Business Region Gothenburg.

“This MOU is consistent with Governor Schwarzenegger’s bioenergy agenda for California. We can benefit from Swedish knowledge and technology to advance our own bioenergy industry here,” said Boyd, who also serves as chairman of the Governor’s Interagency Bioenergy Task Force.

Biomethane powers more than 8,000 transit buses, garbage trucks, and 10 different models of passenger cars in Sweden. The country has more than 25 biomethane production facilities and 65 filling stations.

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Since biomethane is developed from methane sources that would normally release into the atmosphere it is considered one of the most climate-friendly fuels. Biomethane is 98 percent methane and easily meets the Swedish and California pipeline standards.

Biomethane is developed by heating up and breaking down biomaterials in a digester. Among the raw materials the Swedes feed their digesters are slaughterhouse waste, swine manure, and even grassy crops. The materials break down over a 20 day period and impurities are removed to produce the gas. In some cases, renewable biomethane is injected into Sweden's natural gas pipeline network to augment supplies. The program is similar to the "green energy" program operated by some electric utilities in California.

"Going forward, we will be working closely with Swedish and California government and industry officials to take concrete steps that help our biomethane industry grow," said CALSTART President and CEO John Boesel. "California is leading the nation in terms of using natural gas as a transportation fuel. We now want to enter the next phase where we expand upon that program and start utilizing biomethane."

CALSTART is a non-profit organization that works with the public and private sectors to develop advanced transportation technologies and foster companies that will help clean the air, lessen dependence on foreign oil, reduce global warming, and create jobs.

The Memorandum of Understanding can be accessed on the Resources Agency Web site at http://resources.ca.gov/press_documents/CaliforniaSwedenBiofuelsMOU.pdf.